

# PARTNERSHIP 2001 INDUSTRY DAY/SMALL BUSINESS TRAINING CONFERENCE - KANSAS CITY

**U.S. Army Corps of Engineers** 

### PARC OVERVIEW: CHANGES IN THE SOURCE SELECTION PROCESS

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#### **USACE'S 21st CENTURY GOAL**

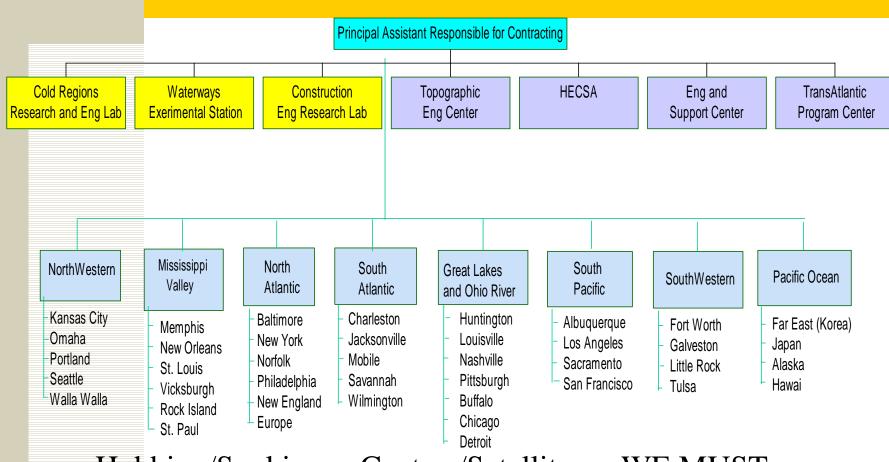
To provide our state and local governments, military, federal agencies and foreign customers with quality supplies and services, on time and at reasonable prices.

Today's major focus is on saving money; efficiencies in operations; improving small business participation; incentivizing successful performance; monitoring small business subcontract plans and institutionalizing innovation





#### **USACE Contracting**



Hubbing/Spoking -- Centers/Satellites -- WE MUST LEVERAGE OUR RESOURCES -- WE MUST CONSIDER IMPACTS ON SMALL BUSINESSES!



#### **Types of Contracting in USACE**

#### SHIP BUILDING/MAINTENANCE

GRANTS/COOPERATIVE AGREEMENTS

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Services

HTRW

Small Purchases

EMERGENCY CONTRACTING



RCI/UTILITIES PRIVATIZATION



PERFORMANCE CONTRACTS



**DPW SUPPORT** 

**ENERGY SAVINGS CONTRACTS** 



#### TYPES OF CONTRACTING STRATEGIES

#### TRADITIONAL STRATEGIES

- HTRW: TERCs; PRACs; MARCs; NORMs; SMARTs; TOCCs; POCAs
- OTHER IDIQs: MATOCs; JOCs
- ARCHITECT-ENGINEERING(A-E) SVCs
- YANK-A-TANK & SITE SPECIFIC FFP
- ENVIRONMENTAL SVCs: STUDIES
- DISASTER: RAPID RESPONSE & IMMEDIATE RESPONSE (RR/IR); ACI
- BEST VALUE AWARDS

#### **NEW STRATEGIES**

- PRIVATIZATION RFQs/LEASES AND UTILITIES PRIVATIZATION
- GUARANTEED FIXED PRICE REMEDIATION
- DESIGN-BUILD
- REVERSE AUCTIONING
- INCENTIVE CONTRACTING
- ONE SOLICITATION: MULTIPLE COMPETITIONS-8(A), SB SET-ASIDES, UNRESTRICTED
  - **SMALL BUSINESS CONSORTIUMS AND PILOT PROGRAMS**



### CORPS OF ENGINEERS' COMMANDER'S INTENT FOR SMALL BUSINESS UTILIZATION

#### NEW COMMANDER (LTG FLOWERS) ADOPTS ESTABLISHED SMALL BUSINESS FRAMEWORK

- COMMAND-WIDE ADVOCACY OF SMALL BUSINESS USE
- CORPS-WIDE MENTORING OF SMALL BUSINESSES
- GROW CORPS "PIE" FOR SMALL BUSINESSES





### CORPS OF ENGINEERS' COMMANDER'S INTENT FOR SMALL BUSINESS UTILIZATION

- DA/DOD "GOALS" "FLOORS" FOR CORPS OF ENGINEERS
- COMMANDERS: AT EVERY OPPORTUNITY, USE SMALL BUSINESSES
- TO IMPROVE EFFECTIVE COMPETITION -BREAK OUT WORK FOR SBs





### CORPS OF ENGINEERS' COMMANDER'S INTENT FOR SMALL BUSINESS UTILIZATION

- SB UTILIZATION IS GOOD BUSINESS 60-70%
   OF JOBS CREATED BY SBs
- SB MUST INCREASE ABILITIES TO COMPETE: UNRESTRICTED BASIS
- SMALL BUSINESS CONFERENCES GENERAL INFO TO ENHANCE ABILITY OF SB TO COMPETE/WIN CONTRACTS





#### CORPS OF ENGINEERS' COMMANDER'S INTENT FOR SMALL BUSINESS UTILIZATION

- SB MUST ALIGN W/PARTNERS TO INCREASE DEPTH OF EXPERTISE
- ENHANCE SUBCONTRACTING OPPORTUNITIES
- SUBCONTRACTING PLAN AUDITS
   AND AGGRESSIVE MONITORING
   MUST BE DONE
- CORPS COMMITTED TO ENFORCING TEAMING AGREEMENTS THAT LEAD TO PRIME AWARDS
- CORPS COMMITTED TO ADVANCED
   ACQUISITION PLANNING -- BALANCED SET
   OF CONTRACTING TOOLS





### CORPS OF ENGINEERS' PARC SMALL BUSINESS INITIATIVES

- PARC OPEN DOOR POLICY/FOCUSED DISTRICT OUTREACH EVENTS
- MARKETING BROCHURE DISTRIBUTION TO DISTRICTS (57 ORIGINAL COPIES)
- CORPS PILOT PROGRAM FOR PROVE-OUT OF SMALL BUSINESS INNOVATION: WHITE PAPER PROPOSALS FOR PILOT PROGRAMS (AGGRESSIVE QUEST FOR "SEED" MONEY FOR IMPLEMENTATION--BROAD AGENCY ANNOUNCEMENT NOTICE PUBLISHED IN COMMERCE BUSINESS DAILY (CBD)
- ARMY & DOD HAVE ALREADY COMMITTED \$1.95M TO THIS PROGRAM FOR FY00. TWO CONTRACTS WERE AWARDED, TOTALING \$250K AND ONE \$1.7M MENTOR-PROTÉGÉ ARRANGEMENT IS CURRENTLY BEING FINALIZED





### CORPS FOCUSES ON SMALL BUSINESS ISSUES AFFECTING PARTICIPATION

- UNTIMELY SCHEDULING OF DEBRIEFINGS
- •USE OF TASK ORDERS INSTEAD OF NEW CONTRACT OPPORTUNITIES
- •ENFORCEMENT OF TEAMING AGREEMENTS
- •MENTOR/PROTÉGÉ SUBCONTRACT SOLE-SOURCING





#### **SMALL BUSINESS ISSUES**

- CONGRESSIONALS: PAYMENT DISPUTES WITH PRIMES
- LEGAL HURDLES IN SETTING UP CONSORTIUMS
- UNWRITTEN
   POLICIES/PRACTICES
   AND POLICIES GOVERNING FAIR
   OPPORTUNITIES FOR SBs
- LEARNING THE ELEMENTS OF SUCCESSFUL PARTNERSHIPS -ESTABLISH GOOD AGREEMENTS





#### **PARTNERSHIPS: 2001 & BEYOND**

- OPPORTUNITIES FOR UNIQUE PARTNERING
   WILL INCREASE
- RESEARCH ON PROSPECTIVE PARTNER IS KEY
- AUGMENTATION OF SKILLS AND CAPABILITIES
- KEY
- THE GOVERNMENT WILL BE A MAJOR PLAYER: SMART CONSOLIDATIONS/VIRTUAL ENTITIES





### PRACTICAL APPROACHES "WISDOM FOR SMALL BUSINESSES"

- CONTINUALLY TALK TO PEOPLE BE OPEN TO NEW IDEAS AND APPROACHES
- CREATE A WELL THOUGHT OUT WRITTEN
   PLAN
- BE HONEST AND REALISTIC IN ASSESSMENT OF CAPABILITIES
- DEVELOP OR USE EXISTING TECHNOLOGIES





#### PARC's MAJOR GOAL

#### To Set Contracting Within Corps of Engineers



- A DAPTIVE
- F LEXIBLE
- I NNOVATIVE
- R ESPONSIVE
- E FFECTIVE/EFFICIENT

VISIT THE OPARC HOMEPAGE - A WEALTH OF INFORMATION IS LOCATED THERE FOR YOUR USE!



PARTNERS CAN BE CANDIDATES FOR THE A-F-I-R-E AWARD! ENSURE THAT THEY GIVE US THEIR BEST!





### FLAGSHIP FOR CHANGE OLD "MENTAL MODELS' HAVE CHANGED

- DIVISION AS BUSINESS CENTER -- THINKING CORPORATELY -- A MUST!
- CUSTOMER EXPECTATIONS CONSTANTLY SHIFTINGS CUSTOMER DELIGHT -- A MUST!
- THE CORPS IS STARTING TO ACT LIKE A BUSINESS -- TENET FOR SURVIVAL!
- COLLABORATIVE ENVIRONMENTS AND IPTs- A MUST!
- ENHANCED PARTNERING A MUST-- SMART CONSOLIDATIONS --IN!
- CORPS NOW FOCUSES ON AND TRAINS ITS PERSONNEL ON THE INDUSTRY METRICS THAT ARE IMPORTANT TO YOUR
   PARTICIPATION DARDEN SCHOOL OF BUSINESS EXECUTIVE DEVELOPMENT





#### PARC MAJOR INITIATIVES

- THROUGH PARC/ENVIRONMENTAL CO-SPONSORED USACE-HTRW REGIONAL COST REIMBURSEMENT WORKSHOPS
- PILOT AUTOMATED SYSTEM FOR MORE AGGRESSIVE MONITORING OF APPROVED SMALL BUSINESS PLANS -- SAD SITES
- PILOT AUTOMATED SYSTEM AS A DECISION
   TOOL FOR SOURCE SELECTION -- NAD SITES
- ROBUST INTERACTIVE OPARC HOMEPAGE-- A
   KNOWLEDGE MACHINE FOR ALL
   STAKEHOLDERS/FULL SERVICE DATABASES





#### PARC MAJOR INITIATIVES CONT'D

- BROAD AGENCY ANNOUNCEMENT SOLICITING WHITE PAPERS TO EXPAND SMALL BUSINESS INNOVATIVE SUBSTITUTABILITY IN PRODUCTS AND SERVICES THROUGH USACE PILOT PROGRAMS (SEED MONEY EFFORTS)
- 8(A) AND SMALL BUSINESS CONSORTIUMS --GREATER PRIME OPPORTUNITIES FOR SMALL BUSINESSES
- INCENTIVE CONTRACTING -- BEST VALUE
   WITH MORE CONTRACTOR PERFORMANCE
   INCENTIVES TIED TO MISSION
   ACCOMPLISHMENTS



### NEW STRATEGY: INCENTIVE CONTRACTING FOCUS

 INFUSING CONTRACTUAL INCENTIVES IN CONTRACTING PROCESS --LEARNING TO SIZE INCENTIVES TO EFFORT, BUT MAKING THEM SUFFICIENTLY LARGE/COMPREHENSIVE ENOUGH TO IMPACT BEHAVIOR IN EXECUTION

--BEHAVIOR IS WHAT WE ARE TRYING TO CHANGE!





#### **NEW STRATEGY: DESIGN - BUILD FOCUS**

 NEW MILCON PLUS-UP: VICE CHIEF OF STAFF, ARMY HAS DIRECTED THAT 50% OF THE STRATEGIES FOR EXECUTION BE DESIGN-BUILD

CORPS WITH HQDA WILL CONSIDER WAIVERS
FROM COMMANDERS IF THE INDUSTRIAL
BASE OR THE NEED TO MAINTAIN ORGANIC
CAPABILITY PROVES TO BE VALID
IMPEDIMENTS TO THE REQUIREMENT





# SOURCE SELECTION: DECISION SUPPORT SYSTEM TOOL FOR CONTRACT EVALUATION FOCUS

- AUTOMATED PILOT SYSTEM PROTOTYPE WILL BE RECEIVED BY PARC ON 31 AUGUST, 2001
- INITIAL SYSTEM IS DESIGNED FOR CONSTRUCTION EVALUATIONS -- BALTIMORE DISTRICT WILL TEST PROTOTYPE
- CONTRACTOR BRIEFED AT PARC ROUNDTABLE, JUNE 2001
- IF SUCCESSFUL, PARC HOPES FOR ADDITIONAL SEED MONEY TO GET INITIAL SYSTEM INTO INVENTORY





#### **SOURCE SELECTION: PROHIBITION**

- PROHIBITION ON THE USE OF NUMERICAL WEIGHTING TO EVALUATE PROPOSALS...
  ASSIGNING POINTS OR PERCENTAGES TO EVALUATION FACTORS AND SUBFACTORS IS NOT AN AUTHORIZED METHOD OF EXPRESSING THE RELATIVE IMPORTANCE OF THE FACTORS AND SUBFACTORS
  - --EFFECTIVE DATE: MARCH 5, 2001
  - --SCOPE: APPLIES TO ALL ARMY ACQUISITIONS, INCLUDINGARCIHITECT-ENGINEER ACTIONS
- NEW METHOD: EVALUATION FACTORS AND SUBFACTORS MUST BE DEFINABLE IN READILY UNDERSTOOD QUALITATIVE TERMS (i.e., adjectival, colors, or other indicators, but not numbers and represent the key areas of importance to be considered in the source selection process
- --MANY GOVERNMENT PROFESSIONALS HAVE VOICED
  CONCERN AS TO WHY THE PROHIBITION



#### **SOURCE SELECTION: PARC ASSESSMENT**

- CORPS OF ENGINEERS CONTRACTING OFFICES WILL COMPLY WITH PROHIBITION
- CONCUR THAT CONCENSUS EVALUATION RATINGS
   PREPARED BY THE EVALUATION BOARDS MUST BE MORE
   DESCRIPTIVE AND MUST REFLECT A MORE CONSISTENT
   "GROUP THINK"
- CONCUR THAT WITH NUMERICAL, DISCRIMINATING DOCUMENTATION HAS NOT BEEN SUFFICIENT FOR DEBRIEFINGS OR THE RECORDS
- THERE NEEDS TO BE NARRATIVES ON HOW THE PANEL RESOLVED DIFFERING OPINIONS AMONG THE EVALUATORS OR HOW THEY ACHIEVED A CONSENSUS RATING FOR ANY FACTOR OF EVALUATION
- NUMERICAL RATINGS ALONE FAILED TO PROVIDE THE NECESSARY DISCUSSION OF STRENGTHS AND WEAKNESSES OF PROPOSALS OR OTHER METHODS USED BY EVALUATORS TO RECONCILE DIFFERENCES AMONG THE PROPOSALS





### SOURCE SELECTION: PARC ASSESSMENT CONT'D

- NUMERICAL SCORING CAN BE AN EFFECTIVE SCORING METHOD--BUT
   THE NEW DIRECTIVE IS THE RULE
- RECOMMENDED RATHER THAN PROHIBITING NUMERICAL, AFARS
   SHOULD PROVIDE A REMINDER THAT THE TRADEOFF PROCESS MUST
   BE WELL REASONED AND WELL DOCUMENTED
- ANY NARRATIVE ASSESSMENT MUST BE SUFFICIENT TO PROVIDE A SELECTION OFFICIAL WITH A CLEAR UNDERSTANDING OF THE DIFFERENCES AND RELATIVE MERIT OF PROPOSALS
- COLORS WILL ALSO NEED NARRATIVE SUPPORT RATHER THAN CONCENSUS BASED UPON BLENDS OF THE INDIVIDUAL ASSESSMENTS OVER TIME





### SOURCE SELECTION: ALTERNATIVE RATING SYSTEMS

- ADJECTIVAL: ADJECTIVES SUCH AS EXCEPTIONAL, GOOD, SATISFACTORY, MARGINAL, AND UNSATISFACTORY ARE USED TO INDICATE THE DEGREE TO WHICH THE OFFEROR'S PROPOSAL HAS MET THE STANDARD FOR EACH FACTOR EVALUATED
- COLOR CODING: COLORS ARE USED TO INDICATE THE DEGREE OF MEETING TH4E STANDARDS. THE COLORS BLUE, GREEN, YELLOW, AMBER, AND RED MAY INDICATE EXCEPTIONAL, GOOD, SATISFACTORY, MARGINAL, OR UNSATISFACTORY DEGREES OF MERIT, RESPECTIVELY
  - NARRATIVE: USED IN CONJUNCTION WITH A RATING SYSTEM TOI INDICATE A PROPOSAL'S STRENGTHS, WEAKNESSES, AND RISKS. ADJECTIVAL, COLOR, AND NUMERIAL RATIHNGS MUST BE SUPPORTED WITH NARRATIVE STATEMENTS. IT PROVIDES A REASONABLE AND RATIONAL BASIS FOR THE SELECTION DECISION.
    - NUMERICAL: POINT SCORES (0-10 or 0-100) PROBLEM ALONE



#### STRATEGY: IPTs/PARTNERING

 INSTITUTIONALIZING A BLUEPRINT FOR IPTs/PARTNERING IN THE PMBP

--FEWER CLAIMS AND PROTESTS

--GREATER CONTRACTOR UNDERSTANDING OF GOVERNMENT CHALLENGES AND COMMITMENTS

--GREATER UNDERSTANDING OF PROJECTS FOR BEST VALUE ENTERPRISE SOLUTIONS





### AGGRESSIVE CORPORATE INNOVATIVE LEAPS CUSTOMER - ONE DOOR TO THE CORPS!

- SHARING ACQUISITION STRATEGIES
- INSTITUTIONALIZING AND USING APPROPRIATELY THE OPARC BULLETIN BOARD, IDIQ INVENTORY
- SMART LONGER TERM CONTRACTS TO REDUCE WORKLOAD
- NO "NO VALUE BUNDLING"
- APPROPRIATE NEW PROCUREMENTS NOT JEOPARDIZED!
- CRITICAL THOUGHT GOES INTO DETERMINING THE OUTSOURCING METHODS!





#### **AGGRESSIVE INNOVATIVE LEAPS**

- ENCOURAGING SMALL BUSINESS SET-ASIDES FOR HIGH \$
   ENVIRONMENTAL REQUIREMENT UP TO AND IN EXCESS OF

   \$200M
- MOVE FROM BUYING THINGS/SERVICES TO MANAGING TRADING PARTNERS TO SUCCESSFUL OUTCOMES
- EFFECTING INTEGRATED ENTERPRISE SOLUTIONS
- FINDING "SEED MONEY" FOR INNOVATIVE IDEAS FROM INDUSTRY UNDER BROAD AGENCY ANNOUNCEMENTS
- PARTNERS MUST ABANDON MENTAL MODELS OF OLD PROCESSES THAT KILL CHANGE





# AGGRESSIVE INNOVATIVE LEAPS TO IMPROVE PARTICIPATION

- MONITORING THE COMMITMENT TO HUBBING AND SPOKING
- AGGRESSIVE USE OF TERC MANAGEMENT PLAN FOR UTILIZATION OF TERC STRATEGY
- ENSURE DECISIONS ARE BASED ON BUSINESS-CASE ANALYSES
- ENSURE ROLES OF THE ENTIRE PROJECT DELIVERY TEAM ARE
   PROPERLY DISTRIBUTED ACCORDING TO LAW AND BEST
   PRACTICES
- ENSURE THAT ADVANCED ACQUISITION PLANNING SUPPORTS "NEW PROCUREMENTS" IN THE BEST INTEREST OF FAIRNESS





#### IMPROVING PARTICIPATION THROUGH ELECTRONIC CONTRACTING

- CORPS HAS COMMITTED TO SIMPLIFYING AND MODERNING THE ACQUISITION PROCESS --ELECTRONIC BID SETS, ETC.
- GIANT LEAPS AHEAD IN ITS ELECTRONIC INFRASTRUCTURE
- TOTALLY EMBRACED THE PAPERLESS ACQUISITION VISION
- FOCUSED ON STREAMLINING AND COST REDUCTION EFFORTS
- COMMITTED TO ESTABLISHING SERVICES--FOCUSED REVERSE
   AUCTIONING STRATEGY
- ARMY SINGLE FACE TO INDUSTRY BROAD INTERNET USE;
   AUTOMATING SOURCE SELECTION PROCESS; AUTOMATING
   SMALL BUSINESS PLAN MONITORING





#### THE FUTURE IS ELECTRONIC CONTRACTING

- CORPS MANDATES AN ELECTRONIC ACQUISITION
   CONTINUOUS FROM REQUIREMENTS DEFINITION THRU
   CONTRACT CLOSEOUT
- NON-DIGITAL TRANSACTIONS ARE BEING ELIMINATED
- CD-ROM AND INTERNET METHODS OF LOCATING JOB OPPORTUNITIES
- HOPEFUL SOON FOR ELECTRONIC BID
   RECEIPT





#### PAPERLESS CONTRACTING

- GOAL: TO ELIMINATE ALL PAPER MANDATED FOR JANUARY 2000 -- STILL TRYING TO GET THERE
- STANDARD PROCUREMENT SYSTEM (SPS) FULLY IMPLEMENTED IN THE CORPS OF ENGINEERS
  - \* SOLICITATION AND AWARD DOCUMENTS ELECTRONIC
  - \* MODIFICATIONS ELECTRONIC (AVAILABLE THROUGH ELECTRONIC DATA DOCUMENT ACCESS (EDA) MAINTAINED BY DFAS (DEFENSE FINANCE AND ACCOUNTING SYSTEM)
  - \* NO DIRECT TRANSMISSION TO VENDORS
  - \* CBD (CBDNet) AND ASFI (EBS FOR USACE)
  - \* ELECTRONIC RECEIPT AND ACCEPTANCE CAN BE ACCOMPLISHED USING SPS; COMMONLY USE STANDARD LOGISTICS MANAGEMENT SYSTEM transmits to SPS
  - \* INVOICE/PAYMENTS Electronic invoicing coming on-line; paper approvals/ electronic transmissions to DFAS.
  - \* PAYMENTS PREFERRED BY ELECTRONIC FUNDS TRANSFER. PROBLEM AREA ELECTRONIC SIGNATURES





#### FEDERAL BUSINESS OPPORTUNITIES

- (FedBizOpps) Website STATUS: DESIGNATED SINGLE POINT OF ENTRY FOR GOV'T **CONTRACTS/BUSINESS OPPORTUNITIES OVER \$25,000**
- **SECTION 850 OF NATIONAL DEFENSE AUTHORIZATION ACT.** FY 98 (PUBLIC LAW 105-85, NOTICES MUST BE PROVIDED THROUGH SINGLE, GOVERNMENT-WIDE POINT OF ENTRY.
- DOD DIRECTED REQUIREMENT, 18 APRIL 2001, IMPLEMENT NOTICES BY 30 JULY 2001 (http://fedbizopps.gov)
- SPS PRESENTLY NONCOMPLIANT WITH FedBizOpps FORMAT
- INTERIM: ARMY SINGLE FACE TO INDUSTRY (ASFI) (http://acquisition.army.mil)
- ASFI pulls notices from Commerce Business Daily (CBDNet) use data to populate both ASFI and FedBusOpps



GOOD NEWS: ALL USACE CTs ARE POSTING TO CBDNet AND **ASFI** 



#### REVERSE AUCTIONING

- INITIATIVE: ARMY SEEKING GREATER USE –CECOM SUCCESS STORIES ON REPAIR PARTS, FFP BUYS
- MULTIPLE SELLERS COMPETE FOR BUSINESS OF SINGLE BUYER
- CORPS OF ENGINEERS AGREED TO PILOT SERVICES EFFORT
  - \* ARMY REQUESTED DREDGING
  - \* CORPS PRESENTLY STUDYING FOR BEST IMPLEMENTATION
- CRITERIA: HEALTHY PRICE COMPETITION; WELL-DEFINED
   REQUIREMENT
- BIDDERS IDENTITY NEVER DISCLOSED DURING AUCTIONING
- ARMY SYSTEM AT CECOM CAN BE REACHED THRU ASFI





#### **ARMY SINGLE FACE TO INDUSTRY (ASFI)**

- INITIATIVE: WEB SITE ESTABLISHED BY ASSISTANT SECRETARY OF THE ARMY FOR ACQUISITON, LOGISTICS AND TECHNOLOGY (ASA(ALT), AS WEB-BASED STRATEGY
- CONDUCTS ELECTRONIC COMMERCE ON THE INTERNET;
   ALLOWS REMOTE SITE PROCESSING, INTEGRATES WORKFLOW
   INTO THE PROCUREMENT PROCESS; RETAIL LOGISTICS
   INTERFACE
- CHALLENGES: INTEFACE TO SPS; SECURE WEB BID
   RESPONSES; WEB PAGE STANDARDIZATION; TECHNICAL DATA
   INTERFACING FOR BIDS/PROPOSALS
- ASFI RECENTLY ADDED ADDITIONAL SITES WHERE INDUSTRY HAS THE CAPABILITY TO RESPONS VIA INTERNET; THE ASFI SECURE BID RESPONSE MODULE IS CONFIGURED TO USE ONLY NETSCAPE NAVIGATOR/COMMUNICATOR 4.7x, 1128-BIT ENCRYPTION. A BID RESPONSE SYSTEM COMPATIBLE WITH MICROSOFT INTERNET EXPLORER IN PROCESS.
  - PROBLEMS: MANY BECAUSE OF FIREWALLS



#### **ELECTRONIC BID SETS**

- INITIATIVE: USACE ELECTRONIC BID SOLICITATION SYSTEMK (EBS) A PAPER-FREE PROCESS FOR ADVERTISING AND DISTRIBUTING CONSTRUCTION CONTRACT BID DOCUMENTS. EBS IS A COMPONENT OF ELECTRONIC COMMERCE. EBS IS A SERVICE PROVIDED BY THE TRI-SERVICE SOLICITATION NETWORK (http://tsn.wes.army.mil).
- USACE POLICY: TO IMPLEMENT EBS FOR ALL CONSTRUCTION CONTRACTS. THIS PROCESS HAS SEVERAL COMPONENT PARTS, INCLUDING THE DEVELOPMENT OF CONTRACT DOCUMENTS IN ELECTRONIC FORM, POSTING THE ELECTRONIC ANNOUNCEMENT ON THE INTERNET, THE ELECTRONIC DISTRIBUTION OF THE CONTRACT DOCUMENTS AND AMENDMENTS TO BIDDERS, AND THE RECEIPT OF BIDS ELECTRONICALLY
- PROSPECTIVE BIDDERS ARE PROVIDED A CD-ROM CONTAINING ALL CONTRACT DOCUMENTS/ROYALTY-FREE S/W WINDOWS-BASED PERSONAL COMPUTER





### **USACE MAJOR FOCUS AREAS**

- REGIONAL BUSINESS CENTERS
- SAVING MONEY/REDUCING COSTS TO CUSTOMERS
- PROVIDING BEST VALUE PRODUCTS
- MONITORING SUBCONTRACT PLANS
- INCREASE USE OF DESIGN/BUILD STRATEGY
- INCENTIVE CONTRACTING
- GREATER TEAMING OF SMALL AND LARGE BUSINESSES
   WITH UNIVERSITIES





### **USACE INITIATIVES**

- IMPROVING SKILLS OF CONTRACTING OFFICERS
- MORE EFFECTIVE PRODUCT DELIVERY TEAMS
- BETTER TRAINING AND UTILIZATION OF CORS
- COMMANDERS DECISIVELY ENGAGED
- EFFECTING BETTER WATCH OVER IDIQ TYPE CONTRACTS
- ESTABLISHING CLOSER SUPERVISION/MONITIORING OVER SUBCONTRACTING OBJECTIVES -- MORE TEETH





# NEW CONVENTIONAL WISDOM

Partnering is not just buzz word

Quality must be in the forefront - do not inspect it in --build it in

- Business solutions must be connected to mission outcome
- Government is moving from Price to Best Value
- More Long Term Relationships Thru Partnering





## **NEW CONVENTIONAL WISDOM**

IPTs Must!

Avoidance of Adversarial Relationships

Shift from Regulations/Compliance to Market

Move from satisfied to Delighted Customers

Move to collaborative Environment





### **NEW CONVENTIONAL WISDOM**

- Create Agreements w/Industry that will
   Structure Business Relationships rather than
   the Boilerplate Contract
- More Information Technology Integration
- Paperless Contracting By Year 2000- Cradle-To-Grave--STILL GOAL IN 21st CENTURY
- New Visions of Accountability





### **NEW EXECUTIVE ORDERS/LEGISLATIONS**

- Under Pub. L. 106-554, SBA was granted authority for a restricted competition program for women-owned small businesses (WOSB).
   The legislative authority was in 8(m) of SBA's Reauthorization Bill
- Price Evaluation Adjustment for Small Disadvantaged Businesses Suspended, effective 24 February 2001 SDB contract awards exceeded the 5 percent goal in FY 2000 Suspension applies to all solicitations issued during the period 24 February 2001 to 23 February 2002.
- Final Rule on FAR Responsibility, Labor Relations Costs, and Costs, and Costs Relating to Legal and Other Proceedings, 20 December 2000 New Certification Requirement that Contractors are to certify regarding certain violations adjudicated within the last three years and mandating an affirmative responsibility determination before award of every contract over \$100,000
- SECTION 808 OF THE DEFENSE AUTHORIZATION ACT --GOOD MOVE TOWARD PROFESSIONALISM OF CONTRACTING





### **CORPS LOOKS TO FUTURE**

- Modifying Strategic Direction
- Performance Measurement
- Knowledge & Info Mgmt
- Corporate Decision-Making
- Changes in Business Practices
- Rightsizing/Right Organization and Structure
- RFQs and Other Transactions
- JUST-DO-IT CARD IMPLEMENTATION



CONTRACTING OFFICERS TRANSITION TO BUSINESS ADVISORS



### **CORPS-WIDE CONTRACTING CONCERNS**

- J&A Exceptions
- Ratifications
- Hollow Contracts (IDCs/IDIQs)
- Incremental Funding of Contracts
- Women-Owned Business, and HBCUs/MIs Participation
- Monitoring of Subcontract Plans

Congressionals



# CORPS-WIDE CONTRACTING CONCERNS

Advanced Acquisition
Planning/Maximizing Competition

Training of CORs

Compliance to Prompt Payment Act

Survival of the IDIQ Contract in USACE





# CORPS' NEW OPPORTUNITIES IN **THE 21st CENTURY**

- QUEST FOR SUBSTITUTABLE PRODUCT/SERVICES
- **GUARANTEED FIXED PRICE ENVIRONMENTAL REMEDIATION ACQUISITIONS**
- **UTILITIES ACQUISITIONS**
- MORE RESIDENTIAL COMMUNITIES ACQUISITIONS
- MORE SCHOOLS INITIATIVES
- MORE DESIGN/BUILD INITIATIVES
- CRITICAL LOOK INTO THE MERITS/DEMERITS OF GSA CONTRACTING--GSA REVOLVING FUND







# CORPS' NEW OPPORTUNITIES IN THE 21st CENTURY

- EXPANDING INSTALLATION DPW SERVICES
- ESTABLISHING NATIVE AMERICAN AFFAIRS OFFICE
- EXPANDING GLOBALLY AS "THE ENGINEER OF CHOICE"
- INSTITUTIONALIZING SUBSTITUTABLE PRODUCTS AND SERVICES
- INCENTIVIZING CONTRACTS
- FORCING ACCOUNTABILITY --BALANCING THE ROLES --RESPECTING THE EXPERTISE OF ALL PLAYERS
- SPS BROUGHT US THROUGH THE END --OF--THE--YEAR;
  SPS -- HERE TO STAY!





# SMALL BUSINESSES SPEAK TO IMPROVE CORPS CONTRACTING OPPORTUNITIES IN THE 21st CENTURY

- CORPS MUST PERFORM OUTREACH TO MAINTAIN CUSTOMER BASE
- USE 8(A) FIRMS TO PERFORM OUTREACH
- IF 8(A) FIRMS BRING IN BUSINESS -- DO NOT COMPETE EFFORT -- INCENTIVIZE 8(A) FIRMS BY PROMOTING 8(A)/CUSTOMER PARTNERING
- 8(A) FIRMS MUST BE COMMITTED TO HIGHEST QUALITY PRODUCTS/SERVICES AND SUCCESSFUL EXECUTION!
- IT IS IMPORTANT THAT "YOUNGER" 8(A) FIRMS WORK THEIR WAY FROM SMALLER TO LARGER CONTRACTS! -- PREFORMANCE CANNOT FAIL!





# SMALL BUSINESSES PROVIDE RECOMMENDATIONS

- CORPS TAKE THE LEAD AND HELP TRAIN THE
  YOUNGER 8(A) FIRMS TO SUCCEED IN DOING
  BUSINESS WITH THE CORPS
- CORPS SHOULD CONSIDER AN 8(A) MENTORING CONFERENCE TO HELP 8(A) FIRMS SUCCEED
- ENSURE FOR THE SUCCESS OF 8(A) CONTRACT-ING THAT 8(A) FIRMS START WITH SMALL PROJECTS AND SLOWLY MOVE TO LARGE PROJECTS --THE REPUTATION OF THE 8(A) PROGRAM MUST BE PRESERVED!





# USACE PARC POINTERS ON IMPROVING PARTICIPATION IN CONTRACTING

- Attend the USACE Annual Small Business Conference
  - -- Meet All The Commanders -- Obtain Division/District Forecasts -- Excellent Synergy -- Worthwhile investment!
- Attend Regional Out-Reach Events; Become a Think-Tank for Gov't
- --Start more Alliances Among Yourselves -Fashion Trust! Those eligible, Commit to Completing 8(a) and HubZone Certifications!
- Align/Align -- Establish mutually beneficial agreements
- Avoid the Entitlement Mentality; Always Build your Team for Unrestricted Competitions!
- Know your Customers! Constantly Surf the Web sites! Develop Innovations to Support Initiatives; Then MARKET with PASSION!



# HQDA STRATEGIES TO IMPROVE CONTRACTING EFFECTIVENESS BY 2005

- STRATEGIC PLAN APPROVED --POSTED DASA(P) WEBSITE: HTTP://ACQNET.SARDA.LARMY.MIL/NEWS/DEFAULT.HTM
- CAREER ACQUISITION PERSONNEL AND POSITION MANAGEMENT INFORMATION SYSTEM (CAPPMIS) NEW SYSTEM BEING IMPLEMENTED-PARCS WILL HAVE VISIBIITY OF COMMAND'S STATUS
- STRATEGIC PLAN MISSION TO DEVELOP CONTRACTING BUSINESS PROFESSIONALS TO EFFECTIVELY AND EFFICIENTLY ACQUIRE THE SYSTEMS, SUPPLIES, AND SERVICES TO SUPPORT THE ARMY'S MISSION AND ROLES TODAY AND IN THE FUTURE
- VISION: CONTRACTING BUSINESS PROFESSIONALS WITH THEIR SKILLS AND VALUES TO CONTINUOUSLY IMPROVE DELIVERY OF QUALITY GOODS AND SERVICES TO THE ARMY AND OTHER CUSTOMERS





# HQDA STRATEGIES TO IMPROVE CONTRACTING EFFECTIVENESS BY 2005 STRATEGIC PLAN GOALS

- MAXIMIZE WORKFORCE PROFICIENCY
- DEVELOP LEADERS
- FOSTER A HIGHLY SKILLED MULTI-DISCIPLINED WORKFORCE
- TRANSITION TO CONTRACTING BUSINESS MANAGERS/ADVISORS





## **Summary**

CONTRACTING IN THE CORPS = VERY BIG BUSINESS
APPROACHING \$15B ANNUALLY
AND
CONTINUALY GROWING INTO NEW NICHES
FUSRAP
DC SCHOOLS
RESIDENTIAL COMMUNITIES INITIATIVE
(RCI)
ETC., ETC., ETC.

- -Politically Sensitive
- -Processes Protect Public Trust
- -Has Chief of Engineers/PARC/Commanders' Direct Involvement





### PARC HELP - 911

PARC Home page <a href="http://www.hq.usace.army.mil/cepr/parc.htm">http://www.hq.usace.army.mil/cepr/parc.htm</a>

The PARC Office Stand Ready and Willing to Help You with Your Contracting Problems 24 Hours/Day, 7 Days/Week.

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